

ENTERED

January 15, 2023

Nathan Ochsner, Clerk

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE SOUTHERN DISTRICT OF TEXAS
HOUSTON TEXAS**

In re:)	Chapter 11
)	
Montrose Multifamily Members, LLC, <i>et al.</i> ¹)	Case No. 22-90323
)	
Debtors.)	(Jointly Administered)
_____)	

**AGREED ORDER MODIFYING AUTOMATIC STAY WITH RESPECT TO
DEBTORS' PROPERTIES**

ON THIS DATE CAME ON FOR consideration *DLP Capital's Motion to Lift the Automatic Stay to Foreclose on Debtors' Properties* (the "Motion") filed by DLP Capital Servicing LLC, as servicer for lender DLP Lending Fund, LLC, DLP Housing Loans, LLC, DLP Income & Growth Fund LLC, and its related entities (collectively, "DLP Capital") for emergency relief from the automatic stay pursuant to 11 U.S.C. § 362(d)(3) and (1) to exercise DLP Capital's rights with respect to substantially all of the Debtors' assets (collectively, the "Collateral"), including the following properties:

- The eight-unit apartment complex located at 2008 Colquitt Street, Houston, Texas (the "Colquitt Property") owned by Colquitt 2008, LP ("Colquitt");
- The twenty-unit apartment complex located at 1717 Norfolk Street, Houston, Texas (the "Norfolk Property") owned by Norfolk Partners, LLC ("Norfolk");
- The eight-unit apartment complex located at 1423 Kipling Street, Houston, Texas (the "Kipling Property") owned by Kipling Partners, LLC ("Kipling");

¹ The Debtors in these Chapter 11 cases (together, the "Chapter 11 Cases"), along with the last four digits of each Debtors' federal tax identification number, are: Montrose Multifamily Members II, LLC (5725); Colquitt 2008, LP (6108); Westmoreland Partners, LLC (1492); Graustark Members II, LLC (1605); Kipling Partners LLC (2339); MT Vernon Members, LLC (5014); and Norfolk Partners LLC (3182). The location of Debtor Montrose Multifamily Members, LLC's principal place of business and the Debtors' service address is 4203 Montrose Blvd., Suite 400, Houston, Texas 77006.

- The sixteen-unit apartment complex located at 400 Westmoreland Street, Houston, Texas (the “Westmoreland Property”) owned by Westmoreland Partners, LLC (“Westmoreland”);
- The sixteen-unit apartment complex located at 4321 Mt. Vernon Street, Houston, Texas (the “Mt. Vernon Property”) owned by Mt. Vernon Members, LLC (“Mt. Vernon”);
- The four apartment complexes, specifically: (i) one twenty unit apartment complex located at 2212 Dunlavy Street, Houston, Texas; (ii) one eighteen unit apartment complex located at 1507 California Street, Houston, Texas; (iii) one fourteen unit apartment complex located at 606 Harold Street, Houston, Texas; and (iv) one fifteen unit apartment complex located at 306 Stratford Street, Houston, Texas (altogether, the “Montrose II Property”) owned by Montrose Multifamily Members II, LLC (“Montrose II”);
- The three tracts of land containing apartment complexes, specifically: (i) one 28-unit apartment complex located at 239 Emerson Street, Houston, Texas; (ii) one 24-unit apartment complex located at 2301 Commonwealth Street, Houston, Texas; and (iii) one 12-unit apartment complex located at 417 W. Main Street, Houston, Texas (altogether, the “Montrose Property”) owned by Montrose Multifamily Members, LLC (“Montrose”); and
- The two eight-unit apartment complexes located at 3412 and 3414 Graustark Street, Houston, Texas (altogether, the “Graustark Property”) owned by Graustark Members II, LLC (“Graustark”).

(Hereinafter, the “Properties” refers to the Colquitt Property, Norfolk Property, Kipling Property, Westmoreland Property, Mt. Vernon Property, Montrose II Property, Montrose Property, and Graustark Property.)

The parties have reached an agreement to modify the automatic stay as provided in this Order. It is therefore:

ORDERED that the Motion is GRANTED as set forth herein; it is further

ORDERED that the automatic stay of 11 U.S.C. § 362 is hereby modified as provided in this Order; it is further

ORDERED that in the event that the Debtors' authority to use DLP Capital's Cash Collateral² is terminated pursuant to Paragraphs 13 and 26 of the *Final Order (I) Authorizing the Use of Cash Collateral Pursuant to 11 U.S.C. § 363(c) of the Bankruptcy Code, and (ii) Granting Adequate Protection for the Use of Cash Collateral* (the "Cash Collateral Order") [Docket No. 1198], without necessity of further order of the Court and upon DLP Capital's filing a notice with the Court, the automatic stay shall terminate immediately such that DLP Capital may enforce its rights in and against the Collateral; it is further

ORDERED that the automatic stay is modified to allow DLP Capital to post the Properties for non-judicial foreclosures in March 2023, for April 4, 2023 foreclosure sales; it is further

ORDERED that the Debtors may refinance their debts with DLP Capital or get exit financing in an amount sufficient to pay DLP Capital's Claim (as defined in Sections 101(5) and 506 of the Bankruptcy Code) in full on or before April 3, 2023; it is further

ORDERED that if DLP Capital's Claim is not paid in full on or before April 3, 2023, then effective as of April 4, 2023, at 12:01 a.m. CT, and without necessity of further order of this Court: (i) the automatic stay shall terminate such that DLP Capital may proceed with its rights and remedies pursuant to applicable state and federal law, including foreclosure sales of the Properties on April 4, 2023; and (ii) all the Debtors' bankruptcy cases shall be dismissed with prejudice to their refiling for 90 days; it is further

² Defined in the Cash Collateral Order.

ORDERED that the parties may agree to alter the provisions of this Order provided that any changes to the provisions of this Order must be in writing, signed by counsel for the parties, and filed with the Court on or before April 3, 2023; and it is further

ORDERED that the Court shall hold a status conference on March 13, 2023, at 9:30 am CST by telephone and video conference.

Signed: January 13, 2023.



DAVID R. JONES
UNITED STATES BANKRUPTCY JUDGE

Agreed as to form and substance:

TRAN SINGH LLP

/s/Susan Tran Adams *signed with permission

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